

Portfolio Review and Recommendations Report for Social Security Administration

Version 15.01: September 30, 2015



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Executive Summary



- The Social Security Administration (SSA), occupies 8.9 million rentable square feet (RSF) of GSAowned space and 20.6 million RSF of GSA-leased space
- SSA has engaged with GSA's Client Portfolio Planning (CPP) initiative to develop a strategic portfolio plan aimed at reducing overall portfolio occupancy expenses since April 2011.
- In Fiscal Year (FY) 2015 Elizabeth Reich became the new SSA Executive Sponsor replacing Peter Spencer
- Per the terms of the Engagement Charter, SSA and GSA met regularly to enhance CPP efforts and develop Opportunities that align with SSA business goals, strategies and priorities
- To date, SSA and GSA have identified CPP opportunities that can achieve \$12.3M in annual rent savings and 701K in RSF reductions.
- The opportunities currently underway are the following:
 - Headquarters Lease Consolidation 320,939 RSF reduction will achieve \$4.5M in annual rent savings
 - Dallas Consolidation 29,371 RSF reduction in FY15 will achieve \$2.0M in annual rent savings
 - Albuquerque Consolidation 25,253 RSF reduction in FY15 will achieve \$500K in annual rent savings
 - Market Rent Gap savings of \$2.2M; identifying additional savings potential throughout the nation.
- SSA and GSA plan to kick-off FY 2016 with an Executive Planning Session in the first quarter of FY 2016 to establish priorities for moving forward

Executive Summary



Opportunity	Status	Estimated Annual Savings (w/o TI)	Agency Upfront Costs* (Break Even Period)	RSF Reduction
1. Baltimore, MD Consolidation	Complete: Consolidate from leased space into owned underutilized space nearby	\$3.4 M Rent Savings	\$4.3 M (1.4 years)	175,197
2. Chicago, IL Consolidation	Complete: Consolidate from leased space into owned underutilized space nearby	\$ 0.2 M Rent Savings	(N/A)	6,244
3. Woodlawn, MD Consolidate Headquarters Leases	Implement leasing consolidation strategies into Woodlawn, MD headquarters. Executed FY13 – FY14	\$4.5M Rent Savings	\$1.3M (0.4 years)	320,939**
4. Albuquerque, NM Lease to Lease Consolidation	Consolidate leased space into another leased location nearby to utilize space	\$0.5M Rent Savings	\$1.6M (7.1 years)	25,253
5. Dallas, TX Lease to Lease Consolidation	Consolidate leased space into another leased location nearby to utilize space	\$2.0M Rent Savings	\$0.9M (0.5 years)	29,371
6. National Rent Gap Savings	Attempt to renegotiate rent for leases based on rents flagged as being above current market	n rents flagged as being above \$2.2M		N/A
Completed Opp	portunities	\$3.6M	\$4.3M	181,441
Implementation C	Opportunities	\$9.2M	\$3.8M	375,563
All Opportunit	\$12.8M	\$8.1M	557,004	

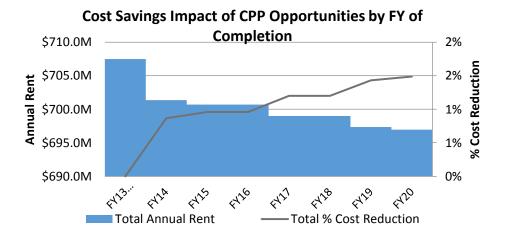
^{*}GSA Costs of \$6.4M in addition to Agency Upfront Costs

^{**}Updated to reflect higher space reduction than original opportunity

Executive Summary (continued)

CLIENT PORTFOLIO
PLANNING
OPTIMIZING FEDERAL REAL ESTATE

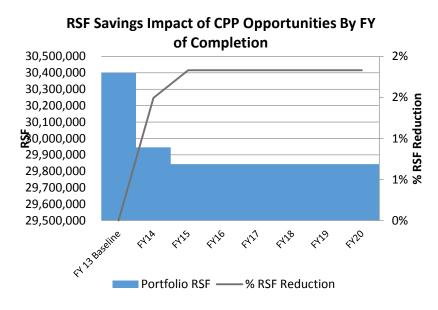
- The projected timeline and CPP opportunity results for SSA are as follows:
 - Total Agency Upfront Costs of \$8.1 M with Break Even* of 2.5 years
 - \$52M in cumulative rental savings by the end of FY20
 - RSF reduction of 557k RSF or 1.8% of total portfolio



\$60.0M \$50.0M \$40.0M \$30.0M \$10.0M 0 FY13 FY14 FY15 FY16 FY17 FY18 FY19 FY20

Total Cumulative Savings —— Total Investment

Cumulative Savings (w/TI) vs. Agency



^{*} The Break Even period is defined as the number of years that are required to fully recoup, on a simple-payback basis, the Agency Upfront Costs









QUICK FACTS

National Portfolio Snapshot

30.4M RSF \$707.5M rent roll 29% leased space 71% owned space

Space Use

97% Office space 3% Warehouse <1% all other National UR Goal: TBD

FY15 Outcomes Achieved: SSA Dallas Consolidation

Background

- In September 2013, SSA approached GSA with a proposal to consolidate the existing tele service Center located in Arlington, TX into the SSA Regional Office building located in Dallas.
- At the time, the Arlington, TX lease expiring in January 2015 had a succeeding lease action in progress.
- Due to timing constraints on completing the consolidation prior to lease expiration, with a strong business case to execute the Consolidation, GSA Leadership set this project into action immediately.

Action: Leased to Leased Consolidation

- The succeeding lease action was cancelled, and the consolidation plan was initiated on a tight timeline to complete in Dec 2014.
- While the missions conducted at these locations were different and would require a physical separation, SSA realigned their training space needs to utilize these areas for 109 incoming tele service employees.
- The project was separated into three phases. Phase 1 involved relocating 16 regional office employees within the Regional Office building requiring reconfiguration of space on the east side of the 2nd floor. Phase 2, the contractor demolished existing office, training and conference spaces on the 2nd floor and built out the new tele service area. The final phase involved disconnecting electrical power poles at the Arlington, TX tele service Center and moving SSA personal property to the new tele service space
- SSA moved all furniture systems and installed required IT themselves.
- The project was completed on Nov 11 2014 with the tele service center operating on the next day with minimal issues.
- Continuous collaboration and planning between SSA and GSA was required to ensure a smooth project delivery. SSA provided immediate responses to inquiries and expedited their review of construction drawings. SSA's cooperation and input was paramount to the success of this project.

Results

- This project was successfully completed on time and on budget. Total investment costs were \$1,704,011 and were under original budget of \$1,800,000.
- Communication was key and GSA and SSA team did a great job in setting expectations and driving workspace efficiencies and cost savings reductions
- Operating costs decreased \$711k annually upon the expiration of the Arlington lease on 1/30/15 (includes annual costs of approx. \$588k for rent and \$123k for guard services)
- Office-only UR decreased 12% from 230 USF to 202 USF

SAVINGS ACHIEVED

	Action	Start (End) Date	Annual Rent (w/TI)	Annual Rent (w/o TI)	RSF	USF	HC*	All-in U/R (USF/person)	GHG Emissions (Tons)
Baseline		4Q FY14	\$5.2M	\$5.2M	227,255	202,054	672	300	2,500
Target	Consolidation	1Q FY15	\$4.8M	\$4.6M	197,884	174,082	672	259	2,180
				(\$0.6M)	(29,371)	(27,972)	N/A	(41)	(320)
			% Improvement:	(13%)	(11%)	(14%)	0%	(14%)	(13%)
Savings Achieved to Date (% of Target Savings)			\$711,000	29,972	27,972	N/A	41	329	
				(118.5%)	(102%)	(100%)	IN/A	(100%)	(102%)

^{*} Headcount adjusted to 672 from FY14 reported figure of 549.



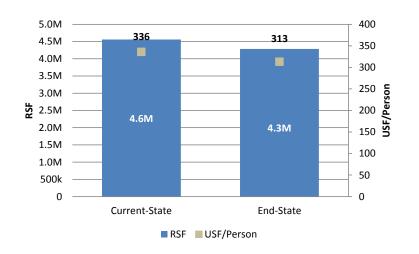


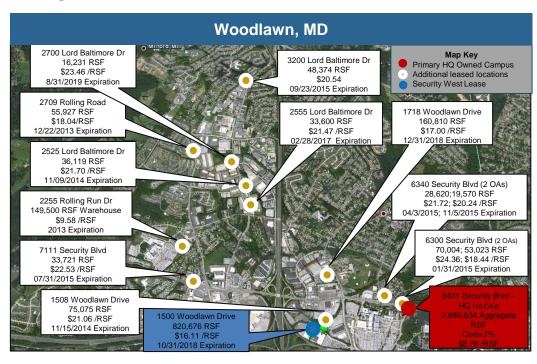
Woodlawn, MD | Consolidate Headquarters Leases



- SSA HQ Occupies 4.5M RSF in the Woodlawn, MD area 2.97M RSF on the owned campus, 1.58M RSF nearby in 12 leases, costing approximately \$62.9M in annual rent
- Phase II of the Campus Housing Study (completed) includes a lease consolidation strategy
- The new National Support Center completed in Urbana, MD frees up space in SSA's existing Data Center on campus
- At 820,676 RSF Security West is the largest lease in SSA's inventory. It expires in 2018 and represents a significant opportunity for SF reduction and savings. Security West is excluded from the opportunity analysis.

RSF and USF/Person





Building	Owned/ Leased	RSF	\$/RSF	Annual Rent	OA Expiration
SSA Woodlawn Owned Campus	Owned	2,971,937		\$37.5M	
Off Campus Leases	Leased	<u>1,586,068</u>		<u>\$25.4M</u>	
Totals		4,558,005		\$62.9M	

Woodlawn, MD | Consolidate Headquarters Leases



Opportunity Description

- SSA and GSA are working to consolidate nearby leases into the Federal Campus cutting approximately 272,000 RSF in the near term and an additional 171,000 RSF in the long term
- SSA has expressed interest in piloting new open and more collaborate workspaces on campus to promote greater efficiency
- SSA should consolidate headquarters operations to maximize housing capacity on SSA's Federal Campus

Potential Benefits

- RSF Reduction: 272,748 (6%)
- Annual Rent Savings (w/o TI): 4.0M (6%)
- Total Investment costs: \$5.0M
 - Total Agency Upfront costs: \$1.3M
 - Total GSA/Lessor Upfront costs: \$3.7M
- Agency Break Even: 0.4 years

Recommended Next Steps

Action	Lead	Date
Consolidate near-term lease expirations onto campus	SSA	4QFY14
Monitor longer term lease expirations for impact on opportunity forecast	SSA/GSA	FY15

Opportunity Review Status

1. GSA Central Office	Approved
2. GSA Regional Office	Approved

3. Client Agency Approved

OPPORTUNITY ANALYSIS - Phase 1

	Action	Start (End) Date	Annual Rent (w/TI)	Annual Rent (w/o TI)	RSF	USF	нс	All-in U/R (USF/person)	GHG Emissions (Tons)
Baseline		1QFY12	\$62.9M	\$62.9M	4,558,005	3,625,991	10,805	336	50,138
Target	Consolidation	2Q FY17	\$59.7M	\$58.9M	4,285,257	3,383,720	10,805	313	47,138
Annual TI	Annual TI Payment in Rent = \$795k		Cost / (Benefit):	(\$4.0M)	(272,748)	(242,271)	-	(22)	3,000
# of years TI is being amortized = 5 years % Impro		% Improvement:	(6%)	(6%)	(7%)	-	(7%)	(6%)	
Savings Achieved to Date (See Outcomes Report in Appendix)			(\$4.5M)	(320,939)	(287,232)	-	(34)	(5,118)	

OPPORTUNITY INVESTMENT DATA

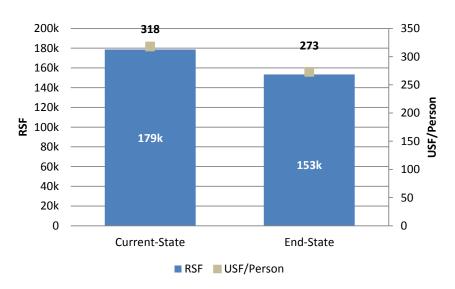
	Build Out (TI)	Build Out (Core/Shell)	Furniture	ІТ	Move	Other	Agency Upfront Costs	Total Investment Costs (TIC)	Agency Break Even
Total	\$3.7M	\$-	\$0.6M	\$-	\$0.7M	\$-	\$1.3M	\$5.0M	0.4 years
Funding Source(s)									

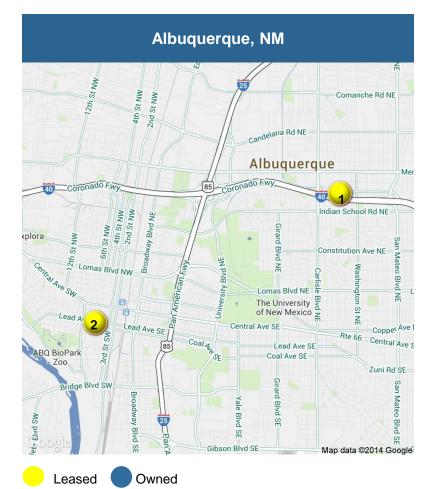
Albuquerque, NM | SSA Lease Consolidation



- SSA occupancy is split between 2 leases in Albuquerque:
- 23,825 USF at 4300 Cutler Ave NE (expiration 2018)
- 145,692 USF at 500 Lead Ave SW (expiration in 2021)
- SSA has a no-cost, early termination option for the Cutler Avenue location in March 2015
- SSA policies required \$1.2M Barrier wall safety project (\$1.2M investment) which is presently being pursued for Cutler Ave

RSF and USF/Person





Building	Owned/ Leased	RSF	\$/RSF	Annual Rent	OA Expiration
1. 4300 Cutler Ave NE	GSA Leased	25,254	\$21.07	\$0.5M	FY18
2. 500 Lead Ave SW	GSA Leased	153,465	\$18.89	\$2.9M	FY21
Totals	N/A	178,719	\$19.02	\$3.4M	N/A

Albuquerque, NM | SSA Lease Consolidation



Opportunity Description

- SSA occupancy is split between 2 leases in Albuquerque:
 - 23,825 USF at 4300 Cutler Ave NE (expiration 2018)
 - 145,692 USF at 500 Lead Ave SW (expiration in 2021)
- SSA has a no-cost, early termination option for the Cutler Avenue location
- SSA and GSA are working to consolidate personnel from 4300 Cutler Ave NE into existing space at 500 Lead Ave ASAP
- Note: Required \$1.2M Barrier wall safety project for Cutler Ave must be installed at Lead Ave if consolidation is pursued; \$1.2M investment should be excluded from business case comparisons but is included in Total Investments

Potential Benefits

- RSF Reduction: 25,253 (14%)
- Annual Rent Savings (w/o TI): \$0.5M (16%)
- Required Investment: \$3.4M
 - Total Agency Upfront costs: \$1.6M
 - Total GSA/Lessor Upfront costs: \$1.8M
- Agency Break Even: 7.1 years

Recommended Next Steps

Action	Lead	Date
Project Close Out	Paul Abernathy	1QFY16

Opportunity Review Status

1. GSA Central Office	Approved
2. GSA Regional Office	Approved
3. Client Agency	Approved

OPPORTUNITY ANALYSIS

	Action	Start (End) Date	Annual Rent (w/TI)	Annual Rent (w/o TI)	RSF	USF	нс	All-in U/R (USF/person)	GHG Emissions (Tons)
Baseline		3QFY14	\$3.4M	\$3.4M	178,719	169,518	533	318	1,970
Target	Consolidation	3QFY15	\$3.3M	\$2.9M	153,466	145,692	533	273	1,690
Annual TI Payment in Rent = \$0.4M		\$0.4M	Cost / (Benefit):	(\$0.5M)	(25,253)	(23,825)		(45)	(280)
# of years TI is being amortized = 5 years		5 years	% Improvement:	(16%)	(14%)	(14%)		(14%)	(14%)

OPPORTUNITY INVESTMENT DATA

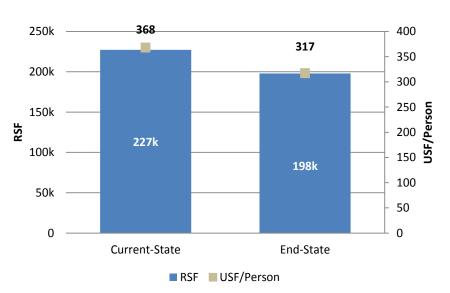
	Build Out (TI)	Build Out (Core/Shell)	Furniture	ΙΤ	Move	Other	Agency Upfront Costs	Total Investment Costs (TIC)	Agency Break Even
Total	\$1.8M	\$0	\$0.3M	\$50k	\$0.1M	\$1.2M	\$1.6M	\$3.4M	7.1 Years
Funding Source(s)									

Dallas, TX | Lease to Lease Consolidation



- SSA leases space in two locations in the Dallas market at a total annual cost of approximately \$6.6M
- 27,972 USF at 1950 NE Green Oaks Blvd (expiration 1/2015)
- 174,082 USF at 1301 Young St (expiration 10/2017)
- Combined Utilization Rate for these occupancies is 368 USF / person

RSF and USF/Person





Building	Owned/ Leased	RSF	\$/RSF	Annual Rent	OA Expiration
1. 1950 NE Green Oaks Blvd	Leased	29,371	\$23.69	\$0.6M	FY15
2. 1301 Young Street	Leased	197,884	\$29.61	\$6.0M	FY17
Totals	N/A	227,255	\$29.04	\$6.6M	N/A



CLIENT PORTFOLIO PLANNING

Opportunity Description

- SSA leases space in two locations in the Dallas market:
 - 27,972 USF at 1950 NE Green Oaks Blvd (expiration 1/2015)
 - 174,082 USF at 1301 Young St (expiration 10/2017)
- Combined Utilization Rate for these occupancies is 368 USF / person
- SSA and GSA are working to consolidate the personnel from 1950 NE Green Oaks Blvd into existing space at 1301 Young St. before the end of January 2015
- The reduction of approximately 29,371 RSF is expected to improve the utilization rate by 14% and reduce operating costs by \$588k per year

Potential Benefits

- RSF Reduction: 29,371 (11.3%)
- Annual Rent Savings (w/o TI): \$2.0M(30%)
- Total Investment costs: \$1.8M
 - Total Agency Upfront costs: \$0.9M
 - Total GSA/Lessor Upfront costs: \$0.9M
- Agency Break Even: 0.5 years

\$25.0M \$20.0M \$15.0M \$10.0M \$5.0M \$5.0M \$5.0M \$5.0M \$5.0M \$5.0M \$5.0M \$5.0M \$6.0M \$6

Recommended Next Steps

Action	Lead	Date
NTP for Construction	Amy Newman	6/26/2014
Estimated Construction Completion	Amy Newman	10/31/2014

Opportunity Review Status						
1. GSA Central Office	Approved					
2. GSA Regional Office	Approved					
3. Client Agency	Approved					

OPPORTUNITY ANALYSIS

	Action	Start (End) Date	Annual Rent (w/TI)	Annual Rent (w/o TI)	RSF	USF	НС	All-in U/R (USF/person)	GHG Emissions (Tons)
Baseline		4QFY14	\$6.6M	\$6.6M	227,255	202,054	549	368	2,500
Target	Consolidation	2QFY15	\$4.8M	\$4.6M	197,884	174,082	549	317	2,180
Annual TI	Payment in Rent =	\$0.2M	Cost / (Benefit):	(\$2.0M)	(29,371)	(27,972)		(51)	(320)
# of years TI is being amortized = 5		5 years	% Improvement:	(30%)	(11%)	(14%)		(14%)	(13%)

OPPORTUNITY INVESTMENT DATA

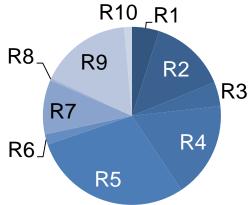
	Build Out (TI)	Build Out (Core/Shell)	Furniture	ІТ	Move	Other	Agency Upfront Costs	Total Investment Costs (TIC)	Agency Break Even
Total	\$0.9M	\$0	\$0	\$0.8M	\$0.1M	\$0	\$0.9M	\$1.8M	0.5 years
Funding Source(s)									

National | Rent Gap Savings

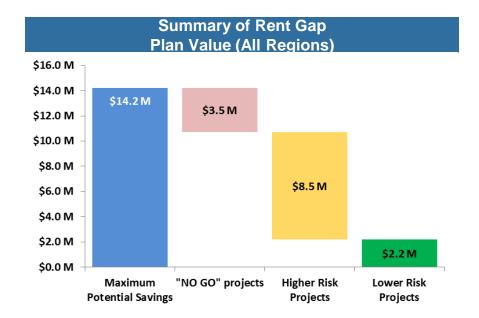


- A "Rent Gap" occurs when there is a difference between the
 existing rent payment and the current market rent. Where
 significant over-market rates exist, there is a potential to
 negotiate a reduction in rent.
- GSA national analysis of SSA leases identified 120 locations with potential beneficial Rent Gap. SSA vetted this list and agreed that 83 should be evaluated for potential savings
- The CPP team validated the shortened list with GSA leasing and eliminated 57 possibilities for FY15 with a value of \$3.5M
- The regional leasing experts have opened discussions with lessors to identify potential strategies for restructuring the lease terms for remaining locations to achieve rent savings for SSA
- Market rent opportunities are not expected to achieve 100% of forecasted values (\$10.7M potential negotiations) due to the nature of restructuring negotiations for existing commitments across many landlords and markets
- This opportunity can be monitored and savings potential updated annually as market conditions warrant

Summary of Rent Gap Potential Value by GSA Region (83 locations)



ч	100 10	oution	13)	
	R1	\$	0.7	М
	R2	\$	2.0	М
	R3	\$	0.6	М
	R4	\$	2.5	М
	R5	\$	4.1	М
	R6	\$	0.3	М
	R7	\$	1.4	М
	R8	\$	0.1	М
	R9	\$	2.4	М
	R10	\$	0.2	М
	TOTAL	\$	14.2	М



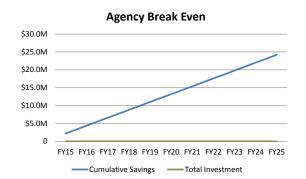
National | Rent Gap Savings

Opportunity Description

- The aggregated rent gap for the 2015 SSA Market Gap analysis for all viable opportunities was \$10.7M
- GSA and SSA Region specialists have reviewed opportunities to confirm potential savings and determine methods to achieve cost reductions
- Our initial target will be a net savings of 20% of Market gap across all opportunities which would yield \$2.2M in annual savings
- The Aggregate Details also assume RSF, USF, and Headcount will remain the same and that there are no investment costs for these opportunities.
- If specific negotiations lead to more complex restructuring they will be treated as stand alone opportunities
- GSA and SSA plan an annual review process to continuously monitor and update savings potential

Potential Benefits

- RSF Reduction: N/A
- Annual Rent Savings (w/o TI): \$2.2M (8%)
- Total Investment costs: N/A
 - Total Agency Upfront costs: N/A
 - Total GSA/Lessor Upfront costs: N/A
- · Agency Breakeven: N/A



Recommended Next Steps

Action	Lead	Date
Following up with GSA Regions to secure rent reductions	GSA	1QFY16
Close out Opportunity and replace with new market gap analysis	GSA	2QFY16

Opportunity Review Status						
1. GSA Central Office	Approved					
2. GSA Regional Office	Approved					
3. Client Agency	Approved					

OPPORTUNITY ANALYSIS

	Action	Start (End) Date	Annual Rent (w/TI)	Annual Rent (w/o TI)	RSF	USF	НС	All-in U/R (USF/person)	GHG Emissions (Tons)
Baseline		Q2FY15	\$27.0 M	\$27.0 M	845k				
Target	Market Gap	Q2FY16	\$24.8 M	\$24.8 M	845k				
Annual TI	Payment in Rent =	N/A	Cost / (Benefit):	(\$2.2 M)	0	0	0	0	0
# of years TI is being amortized = N/A		N/A	% Improvement:	(8%)	0%	0%	0%	0%	0%

OPPORTUNITY INVESTMENT DATA

	Build Out (TI)	Build Out (Core/Shell)	Furniture	ΙΤ	Move	Other	Agency Upfront Costs	Total Investment Costs (TIC)	Agency Break Even
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
Funding Source(s)									





Next Steps



Task	Who	Timeframe
GSA and SSA reset partnership, sign engagement charter, agree on a Client Portfolio Summary of Action outlining next steps	SSA and GSA	1Q FY2016
CPP Team continues to develop and refine the plan and prepare opportunities for transition to implementation	SSA and GSA	Ongoing
Investigate potential new opportunities for FY16 PR3 revision	GSA	Jan-Jun 2016
Submit revised FY16 PR3	GSA	Sep 2016

Potential FY16 Projects



Project	Description
National – Introduce Alternative Workplace Strategies	Improve design and utilization in large SSA facilities, including regional offices and headquarters
Nationwide – Evaluate Regional Office Restack & Reconfigurations	Operations, ODAR, the Office of Quality Review (OQR), and the Office of General Counsel (OGC) each have 10 regional offices, most designed using SSA's prior space standards; applying the revised space standards creates an opportunity to reduce space
Woodlawn, MD – Consolidate Security West Occupancy	825,000 SF Security West Lease expires in Q1FY19; Approximately 45 years old and in need of extensive repairs; planning is underway to identify the best alternative
Woodlawn, MD - Altmeyer Consolidation	Modernization project to allow SSA to begin reworking its dated campus in a way that supports significantly better utilization and reduces the need for leased space





SSA Goals and Potential Areas of Focus



SSA Goals & Objectives

Quality Disability Decisions and Service

- Increase Hearings capacity
- · Reduce Wait time
- Adjudicate oldest hearing requests
- Improve productivity
- Use Health IT
- Improve accuracy
- Expedite Urgent Cases

Quality Services to Public

- Increase Online Services
- · Improve telephone service
- · Increase Video Hearings

Preserve Public Trust in Programs

- Complete redeterminations and medical reviews to ensure program efficiency
- Reduce improper payments
- Improve Administrative Efficiency

Strengthen Workforce & Physical Infrastructure

- · Recruit and retain superior employees
- · Maintain IT systems reliability
- · Reduce energy intensity

Core Real Estate Functions

Field Offices

 Social Security serves the needs of Americans in over hundreds of field offices located in all 50 states, as well as Puerto Rico, the Virgin Islands, and Guam. Social Security field offices serve as a first point of contact for many of our beneficiaries.

Hearing Offices

 With over 140 hearing offices nationwide, Social Security provides a convenient way for the public to appeal benefits decisions. Over 6,000 employees support the country's largest administrative law system.

Teleservice Centers

 Social Security answers the calls to its national 800 number at 35 teleservice centers nationwide, providing a full range of service to beneficiaries worldwide by telephone.

Program Service Centers

 Six program service centers serve the needs of the Social Security public nationwide. Located in New York, San Francisco, Philadelphia, Chicago, Kansas City, and Birmingham, these centers perform a variety of Social Security's mission-critical tasks, including account maintenance, disability claims review, and benefits determinations.

Regional Offices

 Located within each of SSA's 10 regions, regional offices oversee and support Social Security programs in field offices, teleservice and processing centers, hearing offices, and state disability determination services, as well as conducting quality reviews and providing legal support.

Headquarters

SSA's headquarters offices are located in Baltimore, MD, Washington, DC, and Falls Church, VA. Social Security headquarters offices provide administrative, programmatic, and technical guidance to nationwide programs.

Potential Areas of Focus in FY15 CPP

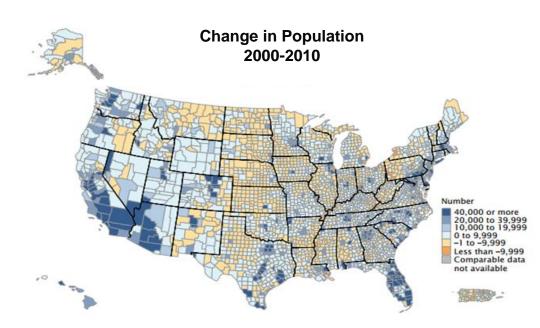
- Support continued growing infrastructure needs for ODAR with cost effective/cost saving real estate projects (consolidations, use of vacant space, partnerships with other agencies)
- Assist the identification of opportunities to potentially consolidate like-type operations with other Agencies to improve utilization.
- Explore potential TSC sites that would benefit from the Total Workplace Furniture and IT (FIT) Fund.
- Research opportunities to provide video-conferencing in office environments unmanned by SSA; assist definition of alternative service delivery strategies that minimize investments in real and personal property that is not constantly utilized.
- Pursue projects to reduce rental budget (% of administrative costs)
- Explore acquisition strategies to reduce time and effort needed from National and Regional SSA Facilities teams
- Partner with GSA Facilities on Best Practices in reducing energy and resource costs

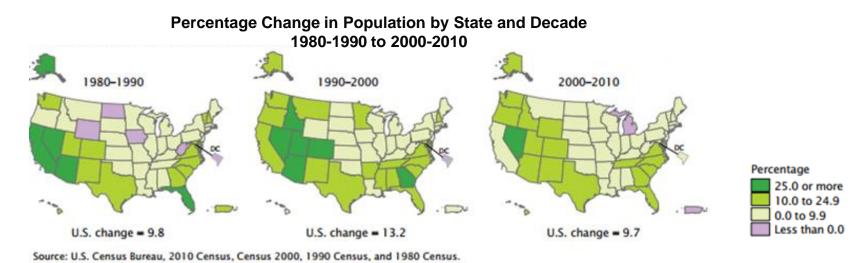
Most of SSA's office locations are directly tied to workload and population



Observations:

- Portfolio requirements are evolving due to demographic shifts and changes in population density
- Increasing use of video hearings is allowing SSA's Office of Disability Adjudication and Review (ODAR) more flexibility in linking manpower with workload
- Major near-term driver of SSA customers is the aging of the Baby Boomer generation.





Source: census.gov

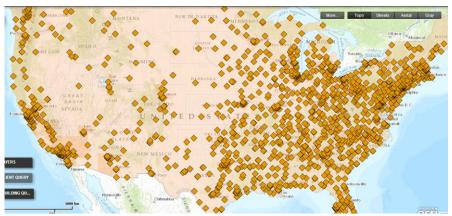
SSA's Portfolio is widely distributed across the US to ensure adequate public access to services



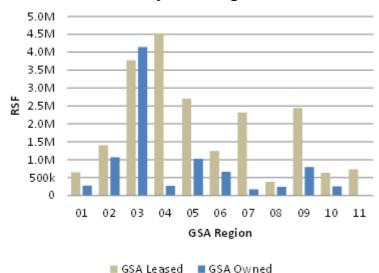
Observations:

- SSA occupies space in 1,356 buildings across the US through 1,846 Occupancy Agreements with GSA.
- Many of these locations are situated to provide access to customers in compliance with strict statutory standards.
- The predominance of leased property outside of Region 3, home of SSA headquarters, may present opportunities to increase use of federally owned space.
- The ability to consolidate must be balanced with a need to remain flexible to address changes in population centers and demographic swings.

SSA Nationwide Locations



RSF by GSA Region



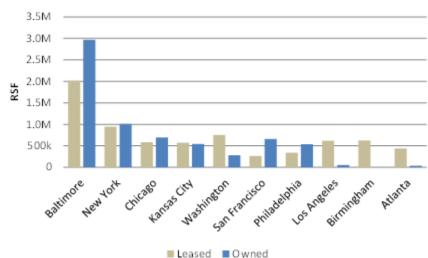
Though highly distributed, large clusters exist around SSA's National and Regional Headquarters (HQ) Operations



Observations:

- 47% of SSA's total footprint exists in 2
 Metro Areas surrounding National HQ
 Facilities (Woodlawn, MD and Falls Church,
 VA) and 10 Regional Office (RO) locations
- Smaller portfolio clusters exist at the local delivery level made up of Field Offices, Hearing Offices, Area Directors, and related agency offices
- There may be opportunities to re-tool spaces in the Major Metro areas and increase utilization of federal office buildings

SSA Top Markets



Metro Area	Leased RSF	Owned RSF
Baltimore	2.0M	3.0M
New York	947k	1.0M
Chicago	583k	697k
Kansas City	574k	543k
Washington	754k	279k
San Francisco	261k	662k
Philadelphia	336k	538k
Los Angeles	617k	52k
Birmingham	623k	
Atlanta	439k	31k
Grand Total	7.1 M	6.8M

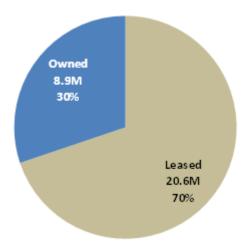
Source: GSA Portfolio data as of 2Q FY15

SSA's leased portfolio creates both risk and flexibility; the owned portfolio suggests greater opportunity

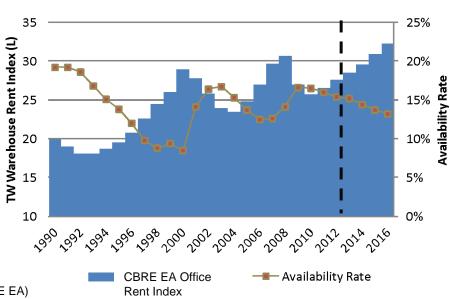
Observations:

- SSA has a delegation of authority for several federally owned buildings; GSA manages the remaining inventory
- 70% of SSA-occupied space is leased
- Due to the large number of leased locations, SSA is subject to market risk, which should be considered in concert with its shifting operational requirements
- Commercial markets continue to rebound from the lows of the late 2000's with rising employment and occupancy growth; as vacancy rates decrease from their highs, many markets are bottoming out
- A move away from lease construction is helping to slow SSA's rent growth
- CBRE Econometric Advisors (EA) Office Outlook, Q1 2013 data (graph) projects rent to rebound to previous highs by 2015*

Owned vs. Leased RSF



Office Rental Rates vs. Vacancy



^{*} Note: Index is a compilation of national data from CBRE and forecasts from CBRE EA)

Source: GSA Portfolio data as of 2Q FY15 26

SSA Inventory Overview



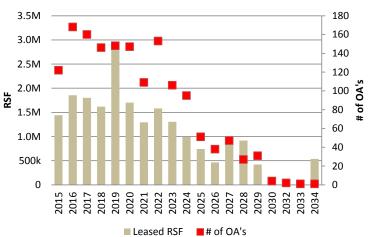
Observations:

- Nearly half of SSA's leases will expire in the next five years
- A number of large lease locations with near-term lease expirations suggest potential opportunity for SSA
- 2.1M RSF of the larger leases (over 100k) expire in the next six years
- Proactive lease reviews are a critical ongoing management practice that GSA is working with SSA to establish

All Leases over 100k RSF (sorted by RSF)

Lease Locations >100k RSF	City	RSF	Lease OA Expiration
1500 WOODLAWN DR	WOODLAWN	821k	10/31/2018
1200 REV. ABRAHAM WOODS, JR. BLVD.	BIRMINGHAM	588k	1/27/2028
6100 WABASH AVE	BALTIMORE	538k	1/21/2034
6000 E. GEOSPACE DR	INDEPENDENCE	472k	4/14/2025
5107 LEESBURG PIKE	FALLS CHURCH	334k	9/30/2019
100 ALABAMA ST SW	ATLANTA	233k	8/17/2020
1301 YOUNG ST	DALLAS	198k	10/20/2017
1718 WOODLAWN DRIVE	WOODLAWN	161k	12/31/2018
500 LEAD AVE SW	ALBUQUERQUE	153k	10/15/2021
1415 MAGELLAN RD	HANOVER	144k	11/28/2015
701 5TH AVE	SEATTLE	136k	6/30/2025
6300 SECURITY BOULEVARD	BALTIMORE	123k	1/31/2020
500 QUARRIER STREET	CHARLESTON, WV	100k	12/9/2019

Lease Expirations by Year



Source: GSA Portfolio data as of 2Q FY15

Opportunities for portfolio optimization also exist in large government-owned office spaces



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Observations:

- SSA has a portfolio of large owned properties, most of which are tied to the National and Regional Agency Headquarters functions
- 13 of SSA's 20 Largest Occupancies are in Federal Buildings, representing approximately 5.7M RSF or 19% of their total portfolio
- SSA receives a Trust Fund Reduction on rent charged in federally owned buildings. In recent years the reduction was approximately 33%, although that rate is subject to change

Efforts Underway:

- Master Housing Planning completed at SSA HQ in Woodlawn, MD
- Implementing new Large Office space standards in SSA Regional Offices – Denver, CO, first completed project
- Asset Repositioning Effort underway to pursue cost-effective long-term housing solution for SSA Operations in and around the Frank Hagel Building in Richmond, CA
- GSA disposal of Metro West

HQ: Headquarters
PSC: Program Service Center
TSC: Teleservice Center
RO: Regional Office
FO: Field Office
HO: Hearing Office
DOC: Data Operations Center
SSCC: Social Security Card Center

Owned Locations (over 100,000 RSF)

Owned Locations	City	RSF
6401 SECURITY BLVD	WOODLAWN	2.4M
155-10 JAMAICA AVENUE	NEW YORK-QUEENS	805k
600 W MADISON ST	CHICAGO	686k
6401 SECURITY BOULEVARD	WOODLAWN	580k
1221 NEVIN AVE	RICHMOND	535k
300 SPRING GARDEN ST	PHILADELPHIA	532k
601 E 12TH ST	KANSAS CITY	529k
8999 BENNETT CREEK BLVD.	FREDERICK	279k
1150 E MOUNTAIN DR	WILKES BARRE	234k
26 FEDERAL PLAZA	NEW YORK- MANHATTAN	167k
1901 C ST SW	AUBURN	159k

Source: GSA Portfolio data as of 2Q FY15

Supporting Resources and References



Publication Name	Publication Source	Publication Date	Applied Use
GSA Master Data Template	GSA Office of Portfolio Management	FY15	Portfolio Analysis
SSA Website	www.ssa.gov	Ongoing	Agency data
GSA Workplace 2020 Deep Dive – Des Moines, IA & Topeka, KS	GSA Workplace Library	FY08	Field Office Utilization and Layout observations
Agency Strategic Plan, 2013 – 2016	www.ssa.gov	FY14	Agency priorities & goals.
SSA ODAR & Field Office Locations	SSA ODAR and Operations	FY11	Identifying statistics around Field Offices and Hearing Offices.
Guidance for Calculating Scope 3 Emissions	World Business Council for Sustainable Development and World Resources Institute	FY13	All Opportunities
Workplace+ Calculating Space Utilization	GSA Workplace+ PMO Bulletin 01-13	FY13	All Opportunities
Real Property Cost Savings and Innovation Plan	SSA	Fiscal Years 2013-2015	Current and future plans
SSA Headquarters Master Plan Report	RTKL for GSA and SSA	FY13	Headquarters metrics and headcount data

Contact Information



All inquiries regarding the program or the content of this portfolio plan should be directed first to the CPP Program Manager.

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CPP Team Roster
Definitions
Portfolio Data

CPP Team Roster



SSA Team

Name	CPP Role	Title
Elizabeth Reich	CPP Executive Sponsor	Acting Deputy Commissioner, Budget, Finance, Quality and Management
Chris Molander	SSA Facilities Lead	Associate Commissioner, OFSM
Janet Rupert	SSA Central POC	Technical Advisor, OFSM

GSA Team

Name	CPP Role	Title
Joanna Rosato	CPP Executive Sponsor	Mid-Atlantic PBS Regional Commissioner
Peter Kulp	SSA Account Management	National Account Manager
Pat Zucca	SSA Advisor and Client Executive	National Client Executive
Kimberly Hart	CPP Team Leader	Regional Account Manager
Kevin Kelly	Workspace Delivery Representative	Senior Architect
Andrea Heller	Account Mgmt. Representative	Account Manager – Federal Acquisition Service
Mark Bartok	CBRE Consultant	Director, CBRE Management Consulting
Malcolm Squire	CBRE Analyst	Analyst, CBRE Management Consulting

Acronyms Used in this Report



Acronym	Definition
DDS	State Disability and Determination Services
FY	Fiscal Year The federal government's fiscal year runs from October 1 of the previous calendar year to September 30 of the year with which it is numbered.
GHG	Greenhouse Gas
gPM	Global Project Management
GSA	General Services Administration
НС	Headcount
HQ	Headquarters
k	Thousand
М	Million
NCR	National Capital Region
OA	Occupancy Agreement - similar to a lease between GSA and each tenant agency in a building that establishes the rent and space assignment for each agency. Source: www.gsa.gov
ODAR	Office of Disability Adjudication & Review
Payback	The payback period (in years) is calculated by dividing the total investment cost by run-rate annual savings
RSF	Rentable Square Feet The landlord quotes the amount of space in a building on a rentable square foot basis. The rentable area typically includes the usable area within the tenant's premises plus an allocation of common areas of the building. Source: www.cbre.com
RWA	Reimbursable Work Authorizations Established to capture and bill GSA customers the cost of altering, renovating, repairing or providing services in space managed by GSA over and above the basic operations financed through rent. Source: www.gsa.gov
SSA	Social Security Administration
UR	Utilization rate (USF/person) To calculate space efficiency of a location, divide total usable square feet by the personnel that occupy the space. Source: GSA Workplace
USF	Usable Square Feet The usable area is the amount of space that the agency uses, including total office, special, and storage spaces. Source: GSA Workplace

Business Case Definitions SELECTED GLOBAL fields



Opportunity Analysis Component	Definition and limiting conditions	Reference / Source
Baseline	 The data and details necessary to establish the Present State of the real estate portfolio that contains all the property to be impacted by a series of tactics and associated with an Occupancy Plan Data are extracted in a consistent method from the GSA Master Data Template as inputs to the Business case tools (Business Case model, specialized tools, etc.) Minimum data required include: Property description and unique identifier Useable area Housed headcount Control (Owned / Leased; GSA- or Agency-) Control timeframe (Expiration date) Total Annual rent* For Business Case comparison purposes, ALL CONDITIONS are assumed as CONSTANT for the entire duration of the business case analysis term Business Case tool used to quantify annual costs, areas, and measures for comparison 	 GSA Master Data Template / GSA Portfolio Agency analyses and data / Individual Agency contacts and FRPP Business Case Model rel. 1 / Client Portfolio Planning & CBRE Business Case Principles Presentations / GSA Portfolio Jan – June 2013 (see extract on next page)
Target	 The resultant End State of the portfolio after all Tactics have been implemented RSF, Rent, USF, HC (Headcount) are standard properties and not defined here Implementation Start / End Date: the earliest / latest date that is associated with any Tactic 	Business Case ModelRegional analysesConsolidation Fund model
Tactics	 When all tactics are combined, these comprise the Strategic Plan for the Portfolio that is being analyzed and optimized Each individual Tactic is a time bounded action which impacts the performance metrics of the Portfolio Minimum data required include: Tactic date and building impacted by the proposed change Area subject to construction (see Build Out definitions) Change in area to be occupied and subject to recurring rent and operating costs Changes in headcount assigned to each individual location Construction scope and unit costs 	Opportunity Card / Opportunity Description by CPP teams Unit Costs from WIFM v1i / GSA Workplace
Net Improvement	Changes in key metrics of RSF, USF, Rent, USF/HC, and Greenhouse gases	N/A

Definitions Appendix
* Note: The Master Data template includes both an ANNUAL Total and unit costs on a \$/RSF basis; when computation of the Annual rent based on the MDT unit rates is at variance with the ANNUAL Total rent, Business cases use the ANNUAL Total rent and include an "Other" unit rate adjustment in the detailed Operating Cost section of the Business Case Analysis Tool(s).

Opportunity Card Definitions SUMMARY HIGHLIGHTS



Item	Definition
Opportunity Description	Describe the scope of the opportunity. Explain movement between buildings, expiration dates, etc. This section gives the reader an understanding of what implementing the opportunity entails.
Potential Benefits: RSF Reduction	The amount of RSF change between the Baseline and Target plans, including the percentage of change in parentheses
Annual Rent Savings (w/o TI)	Difference between Baseline Annual Rent versus forecasted Target Annual Rent without costs of Build Out amortization included in the Target Annual Rent.
Total Investment Costs	Sum of all GSA and Agency Costs. Also shown as TIC amount in the OPPORTUNITY INVESTMENT DATA table.
Total Agency Upfront costs	Sum of Furniture + IT + Move + Other in the OPPORTUNITY INVESTMENT DATA table. (FIT funds are included here and are <i>not</i> included in the annual rent as amortized costs.)
Total GSA Upfront costs	Sum of Build Out (TI) and Build Out (Core/Shell) from OPPORTUNITY INVSTMENT DATA table.
Agency Break even	Calculated number of years for the Agency to recoup the Agency Upfront Costs. Also shown in the OPPORTUNITY INVESTMENT DATA table.
Agency Priority	How this Opportunity is expected to be prioritized by the Agency. Rank by number (X) out of (XX). XX is the number of opportunities in the PR3.
Ability to Fund (FYXX)	FYXX identifies timing that funds would first be needed. Also include a subjective estimation of GSA's and the Agency's ability to fund – either High, Medium, or Low
Recommended Next Steps	Short list of time-bounded & assigned accountabilities for priority / major next steps or milestones to achieve the Opportunity benefits. Can change over time and will reflect contemporary situation.
Opportunity Review Status	Statement of key Stakeholder support of the Opportunity. Valid values: - Approved - In Process - Initiated - Rejected

^{*} Note: GSA's Business Case Analysis Model and specialized Regional worksheets are typically used to develop these data. Business Case Appendix materials identify Sources.

Opportunity Card Definitions OPPORTUNITY ANALYSIS table



Item	Definition	
Baseline	 The data and details necessary to establish the Present State of the real estate portfolio that contains all the property to be impacted by a series of tactics and associated with an Occupancy Plan Data are extracted in a consistent method from the GSA Master Data Template as inputs to the Business case tools (Business Case model, specialized tools, etc.) Minimum data required include: Property description and unique identifier Useable area Housed headcount Control (Owned / Leased; GSA- or Agency-) Control timeframe (Expiration date or Owned) Total Annual rent* For Business Case comparison purposes, ALL CONDITIONS are assumed as CONSTANT for the entire duration of the business case analysis term Business Case tool used to quantify annual costs, areas, and measures for comparison 	
Target	Forecasted future conditions ("End State") scenario and associated measures. See Baseline definition.	
Action	Strategy to be used to implement changes between Baseline and Target scenarios. Possible selections include: - Consolidation - Capital Deployment - Relocation - Market Driven - Right Size in Place - Process / Service Improvement - Cost Avoidance - Sustainability	
Start (End) Date	Expected Quarter & Fiscal year timings associated with the Business Case Action. Stated in in the format of "OQ FY00"	
Annual Rent (w/TI)	Agency payments to landlords and / or other suppliers for all costs of occupying and / or operating real estate premises. Specifically excludes repayment of capital investments made by other entities. Values are consistent for Business Case purposes. Not for Budgets.	
Annual Rent (w/o TI)	Agency payments to landlords and / or other suppliers for all costs of occupying and / or operating real estate premises PLUS repayment of capital investments made by other non-Agency entities. Values are consistent for Business Case purposes. Not for Budgets.	

Definitions Appendix
* Note: The Master Data template includes both an ANNUAL Total and unit costs on a \$/RSF basis; when computation of the Annual rent based on the MDT unit rates is at variance with the ANNUAL Total rent, Business cases use the ANNUAL Total rent and include an "Other" unit rate adjustment in the detailed Operating Cost section of the Business Case Analysis Tool(s).

Opportunity Card Definitions OPPORTUNITY ANALYSIS table – ACTION types



Item	Definition
Consolidation	A Consolidation Opportunity will create change at two or more properties that the Agency presently occupies. One (or more) of the existing buildings will be exited and one (or more) of the existing buildings will continue to be occupied upon achieving the Target end state.
Relocation	A Relocation Opportunity will create change at two or more properties. One (or more) of the buildings is not presently occupied by the Agency. One (or more) of the existing buildings will be exited and one (or more) of the remaining buildings will continue to be occupied at the Target end state.
Right Size	A Right-size Opportunity will create change within one or more properties that the Agency presently occupies. One (or more) of the existing buildings will have a Target end-state area that is less than the area presently occupied.
Cost Avoidance	A Cost Avoidance Opportunity illustrates change between an end-state that "may" have been required if all conditions within the property that the Agency presently occupies were replicated to accommodate growth versus the Target end-state. The Baseline condition is modified to forecast what "would" be needed ("Avoided Future State") and then compared to the Target end-state. These Opportunities are typically associated with, but not limited to, accommodating growth within an existing footprint instead of establishing larger or other premises.
Capital Deployment	A Capital Deployment Opportunity will create change within one or more properties that the Agency presently occupies by means of disposition or some special type of financing (e.g., sale, sale-leaseback, special financing).
Market Driven	A Market Driven Opportunity will create change within one or more properties that the Agency presently occupies by conducting negotiations to improve the economics of the occupancy. Examples include lowering rents to match market conditions and lowering rents by extending the term of the occupancy.
Process / Service Improvement	A Process / Service Improvement Opportunity will create change within one or more properties that the Agency presently occupies through adoption of improved processes or acquisition services such as Digital Print management, bulk purchasing contracts, etc.
Sustainability	A Sustainability Opportunity will create change within one or more properties that the Agency presently occupies by improving the operating costs of the occupancy through implementation of projects that are focused on Greenhouse gases, commutation, LEED certifications, recycled materials, etc.

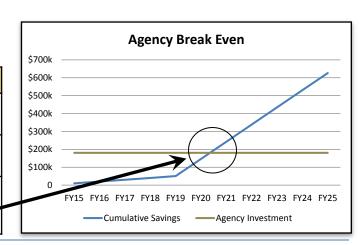
Opportunity Card Definitions OPPORTUNITY ANALYSIS table



Item	Definition
RSF	Rentable Square Feet that are analyzed in Baseline and Target scenarios.
USF	Useable Square Feet that are analyzed in Baseline and Target scenarios.
НС	HEADCOUNT ("HC") assumed to be housed in Baseline and Target scenarios
All-in UR	Utilization rate for Baseline and Target scenarios. Calculated by dividing Baseline- or Target-USF by the appropriate HC.
GHG Emissions (Tons)	Assessment of Green House Gas emissions for each scenario. Default calculation = (RSF x 22 lbs./RSF) ÷ 2,000 lbs./ton
Annual TI Payment in Rent	Annual rent paid by Agency to repay GSA for Build Out investments associated with the Opportunity. Appropriate cost of funds and monthly amortization schedule converted to annual amount.
Cost / (Benefit) and %Improvement	Quantification of change between Baseline and Target scenarios. Cost / (Benefit) in numerical form. %Improvement as a percent and calculated by dividing Cost / (Benefit) by corresponding Baseline value.
# of years TI is being amortized	Number of years an Agency would repay Build Out as additional Rent. DEFAULT = 5 years.
Savings Achieved to Date	Periodic tabulation of ACTUAL results across all metrics. See Project Card descriptions.

AGENCY BREAK EVEN graph

Segment	Definition
Cumulative Savings	Total of Annual Rent savings accumulated over time. Annual Rents include adjustments for TI Amortization.
Agency Investment	Running sum of <i>Total Agency Upfront costs</i> displayed on an annual basis.
Break Even	Point where Cumulative Savings cross the Agency Investment line; representative of the number of years that are required to fully recoup, on a simple-payback basis, the Agency Upfront Costs



Opportunity Card Definitions OPPORTUNITY INVESTMENT DATA table



Investment Data Category	Definition and limiting conditions	Reference / Source
Build Out (TI)	There are 3 potential scopes of work that are eventually intended to be included in this category and are derived from GSA Workplace WIFM tool definitions for consistency: Minimal Refresh Renovate Renovate New Build Out In the majority of the CPP business cases, NEW BUILD OUT scope is assumed when projects are in the early stage of development and generally aligns with: Investments required to improve space from a "warm, lit shell" condition and ready the premises for the installation of furnishings and other personal property Investments for ALL construction costs whether paid by the Agency or GSA without reduction for any available Tenant Improvement Allowance provided either by a 3 rd party Landlord or a GSA Tier allowance Adjustments for location and escalation over time included DEFAULT Workplace assumption: 80% workstation / 20% office space allocations assumed unless stated otherwise;10% special space included and assumed at Support Space unit costs DEFAULT Unit costs based on a "Typical" project size of approx. 100k square feet, 500 housed headcount with NO desk sharing, standard office @ 120 nsf; standard workstation @ 64 nsf; Interaction level = High as defined in WIFM tool In many business cases, project estimates for Build Out costs have been prepared by Regional / Agency teams; these are considered to be more accurate and are included whenever possible. Comments in the business case analysis tools will identify when these assumptions have been used and summaries will be included in the PR3.	WIFM / GSA Workplace GSA Project Cost Planning Guide; Dec 2013 as incorporated into WIFM assumptions and planning forecasts and updated for Repair and Alteration scopes in Dec 2013 / GSA Design and Construction and GSA Workplace
Build Out (Core / Shell)	 NOT TYPICAL: For Client Portfolio Planning business cases, it is unlikely that these costs will be attributed to a Client Agency business case and are typically assumed to be out-of-scope for CPP business case purposes (Note: these costs are typically captured in the GSA "Lease vs. Own" analysis processes) Core / Shell costs If included: Investments required to create or otherwise modify building systems or components and establish a "warm, lit shell" condition which is ready for Build Out investments; justification for inclusion in Agency Business Case provided 	 GSA Asset and Portfolio teams The Automated Prospectus System (TAPS) tool Prospectus approval documents / varies

Opportunity Card Definitions OPPORTUNITY INVESTMENT DATA table



Investment Data Category	Definition and limiting conditions	Reference / Source			
Furniture	 Workplace assumption: 80% workstation / 20% office space allocations assumed unless stated otherwise NO COSTS included for 10% special space in addition to Workplace area assumed unless stated otherwise DEFAULT Unit costs based on a "Typical" project size of approx. 100k square feet, 500 housed headcount with NO desk sharing, standard office @ 120 nsf; standard workstation @ 64 nsf; Interaction level = High as defined in WIFM tool If available and applicable, costs identified for IT that are not included in any other category such as, but not limited to, printers, computers, cell phones, phone switches, data rooms, etc. Investments for relocating personnel within the local market (limit approx. 15 miles) 				
IT					
Move					
Other	Catch all category for all other investments including but not limited to Change management program costs, termination penalties, fees, specialized equipment, etc.	Varies			

Opportunity Card Definitions OPPORTUNITY INVESTMENT DATA table



Investment Data Category	Definition and limiting conditions	Reference / Source		
Total Investment Costs (TIC)	 Forecasted investment requirements to implement Target Sum of Build Out, Furniture, IT, Move and Other costs 	 Business Case Model Consolidation Fund worksheet Specialized Regional analyses 		
Agency Upfront Costs	Sum of Furniture + IT + Move + Other in the OPPORTUNITY INVESTMENT DATA table. (FIT funds are included here and are <i>not</i> included in the annual rent as amortized costs.)	GSA Project teams		
Agency Break Even	 Number of years that are required to fully recoup, on a simple-payback basis, the Agency Upfront Costs Calculation is dependent on length of time and rent reduction forecast; see special instructions in Appendix 	GSA Pricing guidance and calculation methods; June 2014		
Funding Sources	 Identification of expected Budget source for required investments Agency-related Sources are summed in the Agency Upfront Costs field 	GSA project teams GSA and Agency finance staff		

Additional notes:

- 1. The investment values displayed in the OPPORTUNITY INVESTMENT DATA table typically represent a Planning / Business Case level of detail and <u>are not cost estimates</u>; accordingly, these investment values are not recommended for use in Budgeting or Project commitments without review of scopes and applicability of cost factors.
- 2. As noted above, other significant investments may be required to create the "warm, lit shell" conditions and are excluded from all Tenant Agency perspectives and forecasts.

Opportunity Project Card Definitions OVERVIEW



FY14 Portfolio Review and Recommendations Reports (PR3s) include templates to identify and track details for PROJECTS that comprise an Opportunity

- The Project Table lists all Projects expected to be accomplished as an Opportunity moves from Baseline to Target state
- Each Project Card tracks details about scopes, costs, benefits, and actual Outcomes
- Opportunity and Project Card fields share definitions

Project Table Template

Project Card Template



Opportunity and Project Card Definitions Agency Break Even calculations



Selecting appropriate method for Break Even Year Calculation:

Use Formula 1 if:

Target Annual Rent w/TI IS LESS THAN The Baseline Annual Rent w/TI (it is possible to break even during the amortization period)

If y ends up being > the # of years amortized, use Formula #2 to determine the Break Even Year.

Use Formula 2 if:

Target Annual Rent w/TI IS GREATER THAN The Baseline Annual Rent w/Tis (break even will exceed the TI amortization period)

Formula 1 (capturing costs during the years with TI):

Break Even Year = Agency Upfront Costs

(Baseline Annual Rent w/TI - Target Annual Rent w/TI)

Formula 2 (capturing costs after TI drops off):

Break Even Year = Annual TI Payment in Rent * # of years TI is amortized + Agency Upfront Costs
(Baseline Rent w/o TI – Target Rent w/o TI)

Opportunity and Project Card Definitions Agency Break Even calculations



Calculate ANNUAL RENT (w/TI)

Step 1: Establish the Opportunity's total Annual Rent w/o TI

For projects in owned space, there is no PBS fee.

For projects in leased space, assume a PBS fee of 7% that is applied to the entire rent.

In some leases, the space may have a non-cancelable OA (not as common). If those instances are known, the PBS fee is 5%.

Step 2: Calculate the Additional Rent (Annual TI amortization) and add it to the Annual Rent w/o TI

Annual TI Payment in Rent calculation in Excel:

=PMT(TI Amortization Rate, Amortization Term in Months, Build Out (TI))*12

Example: Convert \$16,502,881 in TI to additional Annual Rent

Formula: =PMT(0.02835/12, 60, 16502881)*12

VARIABLES:

TI Amortization Rate - for any project in federal space or funded by the Consolidation Fund (owned or leased), assume an amortization rate of 2.835%. For any other leased project (i.e. TI funded by the lessor), assume an amortization rate of 5.835%.

Amortization Term in Months - Default repayment term is 5 years or 60 months (unless otherwise specified)

Build Out (TI) - The total TI cost to be amortized (unless otherwise specified)

Notes:

- The Annual TI Payment in Rent will come out of the calculation as a negative number. Make it a positive number and round to the nearest whole dollar.
- Consult the Pricing Team and Program Team if there are any tenant requested shell improvements or mid-occupancy / post-initial occupancy requests for TI. In consultation with Pricing, the Program Team will provide guidance on how to show these costs in Build Out (TI) section.

Opportunity and Project Card Definitions Agency Break Even calculation derivations



EXAMPLE calculations derivations

Formula 1 (capturing costs during the years with TI):

Break Even Year = Agency Upfront Costs

(Baseline Annual Rent w/TI - Target Annual Rent w/TI)

y = Break Even Year

Old Cost = Baseline Annual Rent w/TI * y

New Cost = Target Annual Rent w/TI * y + Upfront Tenant Costs

Break Even happens when Old Cost = New Cost

Therefore, set Old and New Costs equal to each other:

Baseline Annual Rent w/ TI * y = Target Annual Rent w/ TI * y + Upfront Tenant Costs

Rearranging:

Baseline Annual Rent w/ TI * y - Target Annual Rent w/ TI * y = Upfront Tenant Costs

Solving for y:

y = <u>Upfront Tenant Costs</u>

(Baseline Annual Rent w/TI - Target Annual Rent w/TI)

Formula 2 (capturing costs after TI drops off):

Break Even Year =

Annual TI Payment in Rent * # of years TI is amortized + Agency Upfront Costs

(Baseline Rent w/o TI – Target Rent w/o TI)

y= Break Even Year

Old Cost = Baseline Rent w/o TI * y

New Cost = Target Rent w/o TI * y + Annual TI amount * # of years amortized + Upfront Tenant Costs

Break Even happens when Old Cost = New Cost

Therefore, set Old and New Costs equal to each other:

Baseline Rent w/o TI * y = Target Rent w/o TI * y + Annual TI amount * # of years amortized + Upfront Tenant Costs

Rearranging:

Baseline Rent w/o TI * y - Target Rent w/o TI * y= Annual TI amount * # of years amortized + Upfront Tenant Costs

Solving for y:

y = Annual TI amount * # of years amortized + Upfront Tenant Costs

(Baseline Rent w/o TI – Target Rent w/o TI)

Opportunity and Project Card Definitions Agency Break Even misc.



Other Definitions and Limiting Conditions

Savings Achieved to Date

This is the sum of the Outcome Report Savings from any projects that have completed Outcome Reports.

Build Out (TI)

Enter the Total TI for the Opportunity

Build Out (Core and Shell) WILL NOT be included in the Annual Rent w/TI field

Build Out (Shell)

Enter the shell costs for the Opportunity

Assume GSA will be paying the upfront costs for any project in federal space or funded by the Consolidation Fund

Note: Consult the Pricing Team and Program Team if there are any tenant requested shell improvements or mid-occupancy / post-initial occupancy requests for TI. In consultation with Pricing, the Program Team will provide guidance on how to include and display these costs in Build Out (TI) fields.

Furniture and IT

Do NOT include amortization of these investments as additional Annual Rent

Assume no fees or interest rates unless otherwise specified. Consult with the Program Team re: any current fees if TW/FIT is being used.

Definitions Appendix

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Real Estate Portfolio Overview

Data as of 2Q FY15

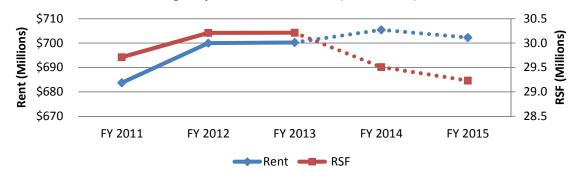
Total RSF	29,511,933
Owned RSF	8,904,037
Leased RSF	20,607,895
Total Annual Rent	\$ 676,021,590
Owned Rent	\$ 96,237,308
Leased Rent	\$ 579,784,281

Top 5 Markets

Baltimore-Columbia-Towson, MD
New York-Newark-Jersey City, NY-NJ-PA
Chicago-Naperville-Elgin, IL-IN-WI
Kansas City, MO-KS
Washington-Arlington-Alexandria, DC-VA-MD-WV

Number of Occupancy Agreements 1825

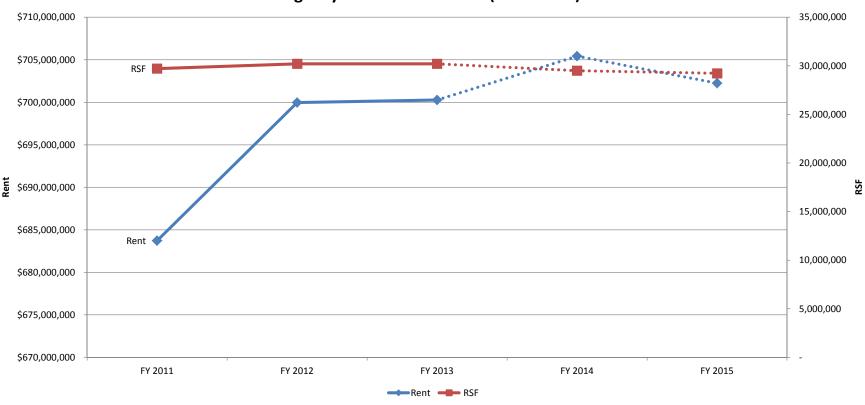
Agency Rent & RSF Trends (FY11-FY15)



Rent and RSF Trends



Agency Rent & RSF Trends (FY11-FY15)



	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Rent	\$ 683,718,995	\$ 699,970,004	\$ 700,267,430	\$ 705,429,858	\$ 702,246,802
Leased	\$ 570,499,662	\$ 590,671,244	\$ 597,560,049	\$ 605,512,098	\$ 614,161,302
Owned	\$ 113,219,333	\$ 109,298,760	\$ 102,707,381	\$ 99,917,760	\$ 88,085,500
RSF	29,710,062	30,207,030	30,211,967	29,506,085	29,231,221
Leased	20,317,677	20,738,647	20,662,257	20,763,387	20,493,104
Owned	9,392,386	9,468,383	9,549,710	8,742,698	8,738,117

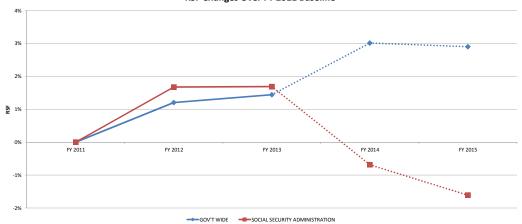
Source: FY15 Rent Estimate



Data as of 2QFY15 Page 2 of 22

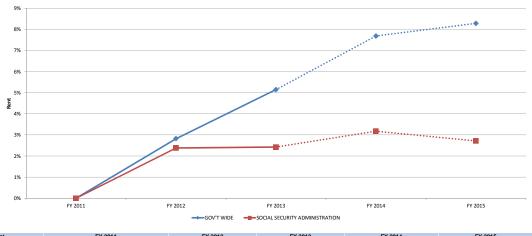






RSF	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Government-Wide	RSF Increase Over FY11 Baseline				
Leased	0%	2%	2%	3%	3%
Owned	0%	0%	1%	3%	3%
GOV'T WIDE	0%	1%	1%	3%	3%
Agency RSF Increa	se/Decrease Over FY11 Baseline				
Leased	0%	2%	2%	2%	1%
Owned	0%	1%	2%	-7%	-7%
SOCIAL SECURITY	0%	2%	2%	-1%	-2%

Rent Changes Over FY 2011 Baseline



Rent	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Government-Wide	RSF Increase Over FY11 Baseline				
Leased	0%	3%	5%	6%	7%
Owned	0%	2%	5%	10%	10%
GOV'T WIDE	0%	3%	5%	8%	8%
Agency RSF Increa	se/Decrease Over FY11 Baseline				
Leased	0%	4%	5%	6%	8%
Owned	0%	-3%	-9%	-12%	-22%
SOCIAL SECURITY	0%	2%	2%	3%	3%

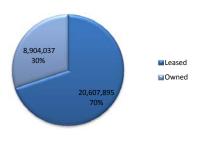
Data as of 2QFY15

Source: FY14 Rent Estimate

Owned vs. Leased Breakdown



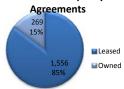
Rentable Square Feet



Agency Name	(AII)
Bureau Name	(AII)

	Assigned RSF	Sum of Annual R
Leased	20,607,895	579,784,281
Owned	8,904,037	96,237,308
Grand Total	29,511,933	676,021,590

Count of Occupancy

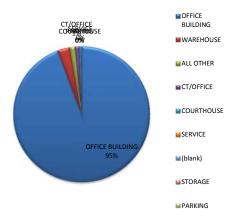


Agency Name (All) Bureau Name (All)

	Count of OA's A	nnual Rent
Leased	1,556	579,784,281
Owned	269	96,237,308
Grand Total	1.825	676.021.590



Property Types

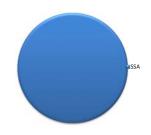


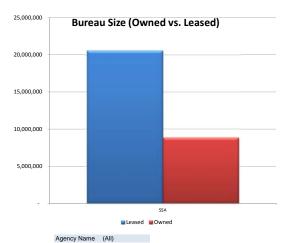
Agency Name	(All)	
Bureau Name	(AII)	

Space Type	Sum of Assigned RSF	Count of OA's
OFFICE BUILDING	27,840,055	1,724
WAREHOUSE	846,702	11
ALL OTHER	360,439	4
CT/OFFICE	328,445	43
COURTHOUSE	94,239	19
SERVICE	42,052	1
(blank)		
STORAGE	-	1
PARKING	-	22
Grand Total	29,511,933	1,825



Bureau Size (RSF)





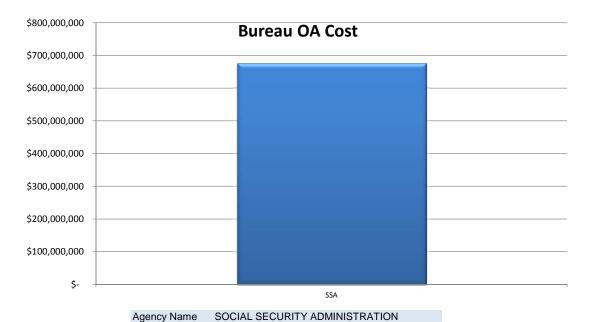
 Bureau
 Leased
 Owned
 Grand Total

 SSA
 20,607,895
 8,904,037
 29,511,933

 Grand Total
 20,607,895
 8,904,037
 29,511,933

Bureau OA Cost Breakdown





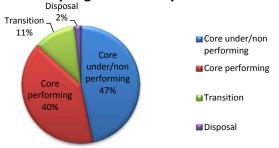
00/1	
SSA 9	676,021,590
Bureau	Annual Rent



Inventory Segment Size



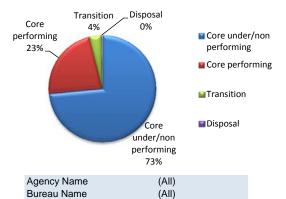
Inventory Segment Size by Locations Disposal



Agency Name	(AII)	
Bureau Name	(All)	
Danoaa mamo	(* ***)	

	Number of OA's
Core under/non performing	126
Core performing	108
Transition	31
Disposal	5
Grand Total	270

Inventory Segment Size by RSF

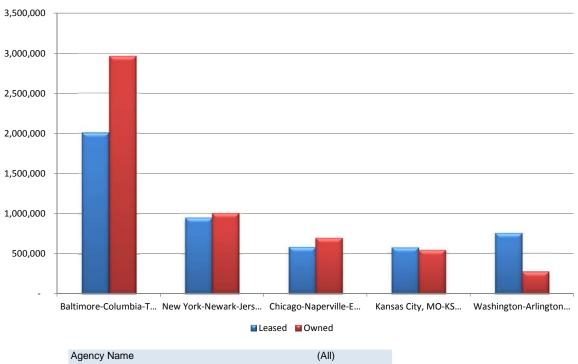


	Assigned RSF
Core under/non performing	6,507,658
Core performing	2,002,730
Transition	325,102
Disposal	22,124
Grand Total	8,857,614





Top 5 Metro Areas (RSF)

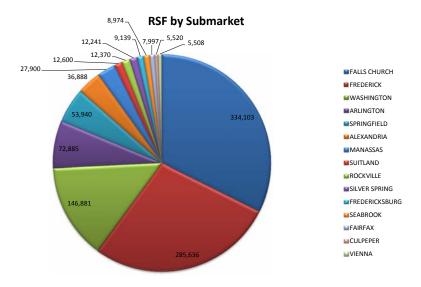


Agency Name	(All)
Bureau Name	(All)

Sum of Assigned RSF			
Metropolitan Area	Leased	Owned	Grand Total
#1 Baltimore-Columbia-Towson, MD	2,013,217	2,966,614	4,979,831
#2 New York-Newark-Jersey City, NY-NJ-PA	947,098	1,004,927	1,952,025
#3 Chicago-Naperville-Elgin, IL-IN-WI	583,283	696,962	1,280,245
#4 Kansas City, MO-KS	574,345	543,037	1,117,382
#5 Washington-Arlington-Alexandria, DC-VA-MD-WV	753,606	278,976	1,032,582







Agency Name Bureau Name	(All)	
Owned/Leased	(All)	
Market	Washington-Arlington-Alexandria, DC-VA-MD-WV	<select area="" here<="" metro="" td=""></select>

Cultimarket	Der	Count of OAlo	Annual Dant
Submarket	RSF	Count of OA's	Annual Rent
FALLS CHURCH	334,103	1	12,362,633
FREDERICK	285,636	5	642,197
WASHINGTON	146,881	8	10,377,434
ARLINGTON	72,885	2	3,138,088
SPRINGFIELD	53,940	1	649,303
ALEXANDRIA	36,888	2	1,309,060
MANASSAS	27,900	1	709,934
SUITLAND	12,600	1	423,320
ROCKVILLE	12,370	1	681,517
SILVER SPRING	12,241	1	507,498
FREDERICKSBURG	9,139	1	325,275
SEABROOK	8,974	1	228,422
FAIRFAX	7,997	1	233,851
CULPEPER	5,520	1	145,453
VIENNA	5,508	1	170,426
Grand Total	1,032,582	28	31,904,412

OA Expirations by FY





Agency Name	(All)
Bureau Name	(All)
Market	(All)
City	(All)
Owned/Leased	(Multiple Items)

Fiscal Year of Expiration	RSF	Count of OA's
2015	1,733,958	142
2016	2,490,248	199
2017	3,258,912	193
2018	2,867,798	188
2019	4,072,104	199
2020	2,649,896	166
2021	2,896,704	125
2022	2,359,206	167
2023	1,258,580	118
2024	1,413,368	114
2025	862,036	60
2026	472,790	39
2027	951,491	46
2028	916,251	27
2029	415,779	30
2030	46,680	4
2032	25,123	2
2033	4,033	1
2034	816,976	5
Grand Total	29,511,933	1,825



OA Expirations List



Agency Name (All)
OA Expiration FY (Multiple Items)
Bureau Name (All)

<- Select Fiscal Year <- Select Bureau <- Select Metro Area

Market (All)
*Table shows a max of 50 OA's per FY

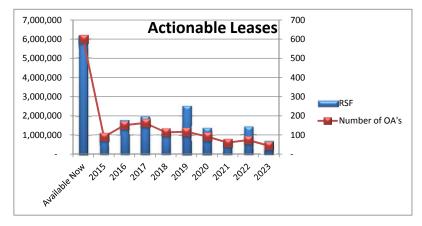
OA Number	Building Name	City	RSF	Annual Rent
AMD04467	ROBERT M. BALL FEDERAL BLDG	WOODLAWN	1,059,705	7,266,950
AIL01268	H WASHINGTON CENTER	CHICAGO	685,664	9,081,190
AMO02625	RICHARD BOLLING FB	KANSAS CITY	217,801	2,502,151
AMO02705	RICHARD BOLLING FB	KANSAS CITY	198,931	2,291,848
AMD00221	PRESTON GATEWAY, BLDG. B	HANOVER	144,386	1,501,605
ATX01074	EMPLOYERS CASU BLDG	DALLAS	139,190	3,706,533
AWA02236	BUILDING 7	AUBURN	116,946	2,337,107
AMO03046	RICHARD BOLLING FB	KANSAS CITY	107,302	1,249,363
AVA07285	2121 CRYSTAL DRIVE	ARLINGTON	66,261	2,940,400
AMO05282	FEDERAL CTR BG 110	SAINT LOUIS	57,573	401,521
AMD00500	WEST LOW RISE	WOODLAWN	55,965	226,104
ADC07535	500 E STREET SW	WASHINGTON	55,745	5,791,576
AVA00036	KIMBERLY BLDG	SPRINGFIELD	53,940	649,303
ATX03529	EMPLOYERS CASU BLDG	DALLAS	53,749	2,082,095
AMA00068	JFK FEDERAL BUILDING	BOSTON	53,373	1,429,253
AGA04011	SAM NUNN ATLANTA FED. CTR.	ATLANTA	46,355	1,066,117
ACA03324	AT & T BLDG	LOS ANGELES	44,947	1,639,216
AMA00315	ONE BOWDOIN SQUARE	BOSTON	36,496	1,639,744
AFL03526	GATLIN AVE BLDG	ORLANDO	32,578	1,122,947
AFL03329	INDEPENDENCE PARKWAY BLDG	TAMPA	31,408	1,342,005
AIN03464	MINTON-CAPEHART F/B	INDIANAPOLIS	31,360	328,611
AGA02805	1415 FRANKLIN RD BLDG	MARIETTA	30,342	707,617
AOK01402	OKLAHOMA CITY FEDERAL BUILDING	OKLAHOMA CITY	30,178	361,043
AMO05302	FEDERAL CTR BG 110	SAINT LOUIS	30,034	209,464
ADE00321	CREEKWOOD OFFICE COMPLEX III	NEW CASTLE	30,015	708,405
AAZ00328	AIR LIBRE AND TATUM BOULEVARD	PHOENIX	29,602	855,202
AMS00117	DR. A. H. MC COY FB	JACKSON	29,578	345,111
AAR01654	LITTLE ROCK FEDERAL BUILDING	LITTLE ROCK	28,645	276,467
ACT01873	WILLIAM R. COTTER FB	HARTFORD	28,644	246,254
AMD03285	OAK MEADOWS BUILDING	WOODLAWN	28,621	597,357
AAL00235	SOCIAL SECURITY BUILDING	MOBILE	28,520	671,277
ATX04010	11111 GATEWAY WEST	EL PASO	28,420	790,809
AVA00563	9502 CENTER STREET	MANASSAS	27,900	709,934
ATX05450	HOUSTON SW	HOUSTON	27,840	1,209,792
AMI01511	P V MCNAMARA F B	DETROIT	26,968	483,065
ACA00004	SAN FRANCISCO FEDERAL BLDG	SAN FRANCISCO	26,751	631,702
AMN02662	CORPS OF ENG. CENTRE	SAINT PAUL	26,705	551,632
ANY02564	111 LIVINGSTON ST	NEW YORK-KINGS	26,151	992,803
ANY02710	CAV BLDG	NEW YORK-MANHATTAN	26,086	1,125,721
ANY02597	211 STATION PLAZA	MINEOLA	25,822	1,215,299
ANJ00273	NEWARK CENTER BLDG	NEWARK	25,412	967,623
ANE01859	604 N 109TH COURT	OMAHA	25,088	397,680
ACA01879	THE PAVILION	SAN DIEGO	25,037	781,755
ANY02722	235 WEST 48TH STREET	NEW YORK-MANHATTAN	25,000	2,430,275
AWI00100	6300 W. FOND DULAC	MILWAUKEE	24,854	803,094
ANY06366	KEY CENTER	BUFFALO	24,838	510,645
AIL01025	6338 S COTTAGE GROVE	CHICAGO	24,610	720,859
AOH00678	312 ELM STREET	CINCINNATI	24,600	686,415
AIL01007	8658 S. SACRAMENTO	CHICAGO	24,561	978,471
ACA08231	910 CIRBY WAY	ROSEVILLE	24,500	1,241,410
Grand Total			4,074,998	72,802,821



Data as of 2QFY15 Page 12 of 22

Actionable Lease Trend





Agency Name	(All)
Bureau Name	(All)
Market	(All)
City	(All)
Owned/Leased	Leased

Fiscal Year of Expiration	RSF	Number of OA's
Available Now	6,179,649	601
2015	1,047,582	90
2016	1,775,316	151
2017	1,964,837	163
2018	1,164,814	114
2019	2,530,550	117
2020	1,377,508	92
2021	762,854	60
2022	1,431,177	74
2023	678,192	44
Grand Total	18,912,479	1,506



Lease Expirations Trend





Agency Name	(All)
Bureau Name	(AII)
Market	(All)
City	(All)

Fiscal Year of Expiration	RSF	Number of OA's
2015	1,442,156	122
2016	1,853,809	168
2017	1,801,300	160
2018	1,617,260	146
2019	2,898,510	148
2020	1,701,473	147
2021	1,293,658	109
2022	1,582,472	153
2023	1,304,826	106
2024	990,402	95
2025	742,725	51
2026	463,831	38
2027	965,710	47
2028	916,251	27
2029	420,952	31
2030	45,403	4
2032	25,123	2
Grand Total	20,065,862	1,554



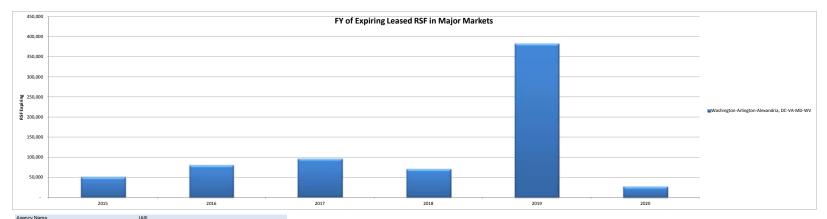
Data as of 2QFY15 Page 14 of 22



Agency Name SOCIAL SECURITY ADMINISTRATION Bureau Name (All)

F	tions	Lease Expiration FY			
ilding Name	City MOBILE	2015	2016	2017 G	Frand Tot
OCIAL SECURITY BUILDING		50,816			50
	FORT MYERS			23,817	23
	KINGSPORT KALAMAZOO	22,848	14,250		14
	GREENFIELD		14,250	13.544	13
	GAINESVILLE	12 584		10,044	12
	PANAMA CITY	11,781			1
	FAIRHOPE			7,587	
	SUPERIOR		6,600		
	LANCASTER			4,800	
	RIVERTON		2,784		
RESTON GATEWAY, BLDG, B	PORTSMOUTH HANOVER		144.386	1,415	14
MPLOYERS CASU BLDG	DALLAS		144,386	139.190	14
121 CRYSTAL DRIVE	ARLINGTON		66,261	139,190	6
OCIAL SECURITY ADMINISTRATION	FORT WAYNE		55,257	15.628	1
	NEW ALBANY			12,300	1
	GASTONIA		11,984		1
	LIVONIA		8,309		
	CLEVELAND		8,192		
00 F 07DFF7 0W	MOUNT AIRY	7,500		55.745	
00 E STREET SW 850 LAKE HERBERT DRIVE	WASHINGTON NORFOLK			55,745 53,917	5 5
AK MEADOWS BUILDING	WOODLAWN	28,621	19,570	55,917	4
SA BUILDING	GUI FPORT	20,021	19,570	16.388	1
on Boilbillo	LITTLETON		12.064	10,000	1
	MILWAUKEE			11,050	1
	PERU		6,706		
T & T BLDG	LOS ANGELES		44,947		4
TEGMAIER BUILDING	WILKES BARRE			35,197	3
115 FRANKLIN RD BLDG	MARIETTA	30,342			3
SA OFFICE	FLINT			13,582	1
	DAYTON			9,581	
REEKWOOD OFFICE COMPLEX II	COLUMBIA NEW CASTLE		20.045	6,999	-
IR LIBRE AND TATUM BOULEVARE	PHOENIX		30,015	29.602	3
1111 GATEWAY WEST	EL PASO			28,420	2
502 CENTER STREET	MANASSAS	27.900		20,420	2
ORPS OF ENG. CENTRE	SAINT PAUL	26,705			2
11 LIVINGSTON ST	NEW YORK-KINGS	26,151			2
AV BLDG	NEW YORK-MANHATTAN	26,086			2
11 STATION PLAZA	MINEOLA			25,822	2
EWARK CENTER BLDG	NEWARK		25,412		2
ARKET SQUARE CENTER	INDIANAPOLIS		25,350		2
35 WEST 48TH STREET	NEW YORK-MANHATTAN		25,000		2
12 ELM STREET	CINCINNATI			24,600	2
658 S. SACRAMENTO 9 HIGH ST	CHICAGO BOSTON			24,561 24,353	2
/ILLIAMS CENTER TOWER II	TULSA	24,050		24,353	2
800 EXECUTIVE CENTER	CHARLOTTE	24,050			2
ALKER SPRINGS CENTER	KNOXVILLE	23,922			2
LAZA OF THE AMERICAS-N TOWER	DALLAS			23.523	2
301 MCGEE	KANSAS CITY		23,466		2
601 MARKET ST.	PHILADELPHIA			23,175	2
UNN HWY BLDG	TAMPA		19,274	3,759	2
ADISON PLACE	WORCESTER		22,995		2
747 BELLAIRE BLDG.	BELLAIRE			22,892	2
IVE EXECUTIVE CAMPUS	CHERRY HILL	22,860			2
86 EXCHANGE STREET	BUFFALO	22,627	12.190		2
ERITAGE PLACE	LAWRENCE QUINCY		9,993		1
130 W. NORTH AVENUE	CHICAGO	22,003	9,993		2
170 HARVARD WAY	RENO	22,000		21 759	2
ARK CTR II	ALEXANDRIA			21,706	2
ARREN DAVIS PROP. XII, LLC	SPRINGFIELD			21,678	2
LOCK 300	PORTLAND		21,605		2
AVIE BUILDING	CHARLOTTE	21,326			2
330 MONROE BLDG	MEMPHIS	21,250			2
414 ALDINE MAIL ROUTE ROAD	HOUSTON			21,019	2
/ILLIAM J. JAMESON NE HSBC PLAZA	BILLINGS		20.566	20,590	2
NE HSBC PLAZA NE PARK PLACE	ROCHESTER SYRACUSE		20,566 20.484		2
NE PARK PLACE 2121 WILSHIRE BOULEVARD	LOS ANGELES	20.422	∠0,484		2
D BOND STREET	SPRINGFIELD	20,422			2
500 W. 21ST COURT ST. BLDG	HIALEAH	20,292			2
REEN MOUNTAIN OFFICE COMPLEX	LAKEWOOD			19,800	1
250 NOSTRAND AVE.	NEW YORK-KINGS	19,716		,	1
BO WESTMINSTER MALL	PROVIDENCE	19,601			1
ERRINE BLDG	MIAMI			19,474	1
EUSS PLAZA TOWER 1	MILWAUKEE		19,335		1
2600 CRENSHAW BLVD	TORRANCE		19,322		1
S ROWAN BUILDING	FAYETTEVILLE		19,300		1
ASADENA TOWERS LLC	PASADENA		19,299	40.00=	1
ORTHWESTERN BLDG	EVANSTON	40.000		19,067	1
APITOL OFFICE BUILDING DORRANCE ST	SAN JUAN PROVIDENCE	19,060 18,755			1
DORRANCE ST DCIAL SECURITY OPERATIONS	COLORADO SPRINGS	18,755			1
ARK 80 EAST	SADDLE BROOK	18,696	18.659		1
3 44 AUSTIN STREET	NEW YORK-QUEENS	18,451	10,009		1
001 BROADWAY BUILDING	HATTIESBURG	10,401		18,360	1
EST GARDEN STREET BLDG	PENSACOLA			18.137	1
292 BWY	NEW YORK-MANHATTAN	18,000		10,137	1
116 W. MARCH LANE	STOCKTON	,	17,974		1
1-61 KISSENA BLVD	NEW YORK-QUEENS		17,930		1
AMPAU SQUARE PLAZ#	GRAND RAPIDS	17,832	,		1
NE ADAMS PLACE	SEVEN FIELDS	,		17,651	1
720 JEROME AVE	NEW YORK-BRONX	17,609			1
A TORRE DE LA PLAZA 15 ROBERT DANIEL BLDG	HATO REY AUGUSTA		17,535 17,388		1

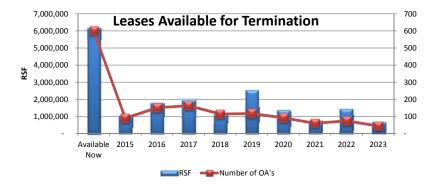




Bureau Name	(All)	
Note: Page displays a maximum of 100 Expirations		
RSF	Market	
Lease Expiration	FY Washington-Arlington-Alexandria, DC-VA-MD-WV	Grand Total
2	015 49,706	49,706
2	016 79,766	79,766
2	017 96,141	96,141
2	018 70,408	70,408
2	019 382,358	382,358
2	020 26,624	26,624
Grand Total	705,003	705,003

Lease Termination Rights





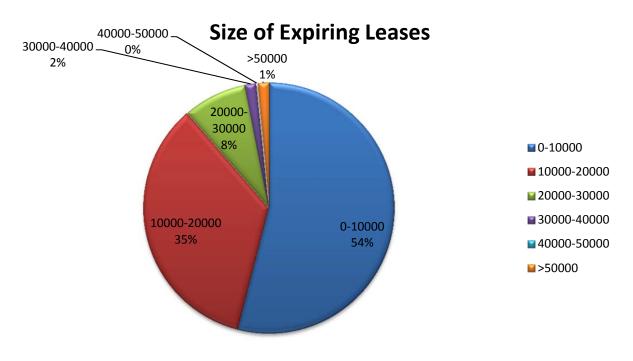
Agency Name	(All)
Bureau Name	(All)
Market	(All)
Termination Right Indicator	(All)

FY of Termination Rights	RSF	Number of OA's
Available Now	6,179,649	601
2015	1,047,582	90
2016	1,775,316	151
2017	1,964,837	163
2018	1,164,814	114
2019	2,530,550	117
2020	1,377,508	92
2021	762,854	60
2022	1,431,177	74
2023	678,192	44
Grand Total	18,912,479	1,506



Size of Expiring Leases





Αç	jency Name	(All)
Вι	ıreau Name	(All)
Ma	arket	(All)
Ci	ty	(All)
O١	vned/Leased	Leased
Le	ase Termination FY	(All)

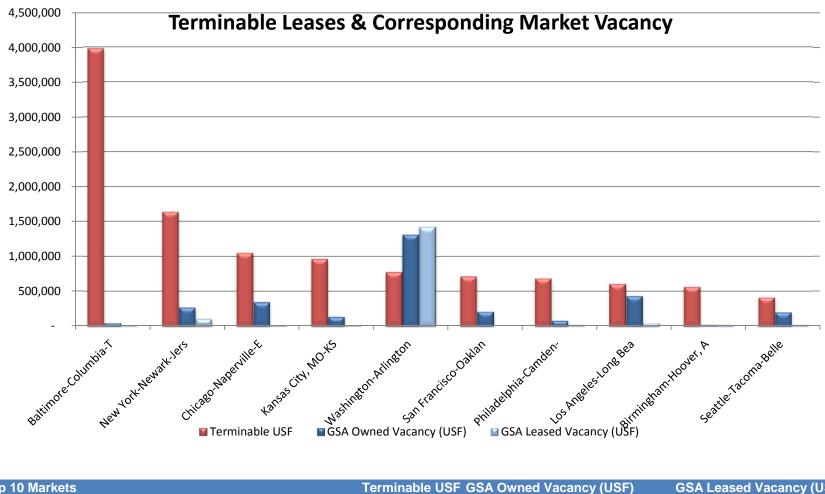
RSF	Count of OA Number	Sum of Assigned RSF
0-10000	840	4,912,046
10000-20000	540	7,471,296
20000-30000	128	3,048,500
30000-40000	23	768,663
40000-50000	2	91,302
>50000	23	4,316,089
Grand Total	1,556	20,607,895



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Terminable vs. Vacancy by MSA





Top 10 Markets	Terminable USF GSA Owned	Vacancy (USF)	GSA Leased Vacancy (USF)
Baltimore-Columbia-T	3,989,717	48,251	16,047
New York-Newark-Jers	1,645,530	272,269	106,202
Chicago-Naperville-E	1,055,701	347,303	12,206
Kansas City, MO-KS	967,941	135,328	14,087
Washington-Arlington	777,851	1,314,083	1,423,905
San Francisco-Oaklan	718,064	212,362	2,604
Philadelphia-Camden-	690,233	81,327	20,236
Los Angeles-Long Bea	610,259	434,938	49,337
Birmingham-Hoover, A	566,986	20,708	24,071
Seattle-Tacoma-Belle	415,800	203,713	20,745



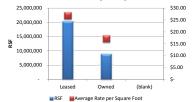
Agency Occupied Buildings with Large Amounts of Vacant Space

							Market Presence		
Location			Owned	l vs. Leased			Agency Space within	# of Agency Leases in	Agency's Leased RSF in
Code	Building Name	Market		(O/L)	Building Size (RSF)	Building Vacancy (USF)	building	that Market	that Market
NY0282	JACOB K. JAVITS FB/CIT	New York-Newark-Jersey City, NY-NJ-P	Owned		34,398,060	720,496	166,542	-	1,952,025
NY0128	FEDERAL BLDG201 VARICK ST	New York-Newark-Jersey City, NY-NJ-P	Owned		2,806,680	465,453	2,620	-	1,952,025
GA1007	SAM NUNN ATLANTA FED. CTR.	Atlanta-Sandy Springs-Roswell, GA	Leased		9,541,248	414,947	232,552	-	470,053
GA0087	PEACHTREE SUMMIT FB	Atlanta-Sandy Springs-Roswell, GA	Owned		2,411,310	408,357	31,218	-	470,053
CO0039	BYRON G.ROGERS FB-CT	Denver-Aurora-Lakewood, CO	Owned		2,475,547	387,633	90,697	-	207,561
MA0153	THOMAS P. O NEILL JR. FB	Boston-Cambridge-Newton, MA-NH	Owned		3,354,092	253,812	51,910	-	365,556
MS0083	DR. A. H. MC COY FB	Jackson, MS	Owned		1,490,179	194,356	62,793	-	65,551
HI0011	PRINCE J. KUHIO FOB & CTHS	Urban Honolulu, HI	Owned		1,393,753	190,815	27,660	-	40,805
CA0281	RONALD DELLUMS FED BLDG	San Francisco-Oakland-Hayward, CA	Owned		6,323,550	170,152	80,322	-	922,774
WA0831	BUILDING 7	Seattle-Tacoma-Bellevue, WA	Owned		822,609	161,604	158,933	-	459,008
MI0131	P V MCNAMARA F B	Detroit-Warren-Dearborn, MI	Owned		4,720,661	141,225	49,291	-	326,048
OH0189	JOHN WELD PECK	Cincinnati, OH-KY-IN	Owned		691,678	125,966	48,566	-	127,627
NJ0108	PETER W. RODINO FB	New York-Newark-Jersey City, NY-NJ-P	Owned		1,333,096	122,655	13,976	-	1,952,025
PR0017	DEGETAU FB & RUIZ-NAZARIO C'		Owned		793,106	119,453	3,143	-	-
TX0224	FG LANHAM FED BLDG	Dallas-Fort Worth-Arlington, TX	Owned		1,338,674	79,706	48,032	-	461,946
SC0068	STROM THURMOND FB	Columbia, SC	Owned		667,853	77,281	25,614	-	37,183
PA0158	UNITED STATES COURTHOUSE	Pittsburgh, PA	Owned		627,551	71,885	-	-	249,055
OH0192	A J CELEBREZZE FB	Cleveland-Elyria, OH	Owned		2,389,350	70,039	18,955	-	169,752
AR0063	LITTLE ROCK FEDERAL BUILDING	Little Rock-North Little Rock-Conway, A	Owned		1,043,092	69,107	58,056	-	74,296
NY0281	JAMES M HANLEY FB	Syracuse, NY	Owned		561,498	61,038	21,343	-	49,177





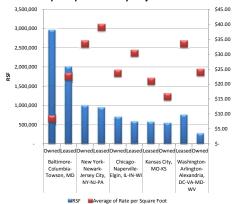
Nationwide Rates per Square Foot



ureau	Name	(All)

Owned	8,904,037	\$ 17.26
(blank)		

Rates per Square Foot by Major Metro Area



Agency Name (All) Bureau Name (All)

Metro Area	RSF	Average of R	ate per Square Foot
Baltimore-Co	4,979,831	\$	17.84
Owned	2,966,614	\$	8.41
Leased	2,013,217	\$	22.56
New York-Ne	1,952,025	\$	37.43
Owned	1,004,927	\$	33.48
Leased	947,098	\$	39.00
Chicago-Napo	1,280,245	\$	30.08
Owned	696,962	\$	23.64
Leased	583,283	\$	30.39
Kansas City,	1,117,382	\$	19.35
Leased	574,345	\$	21.00
Owned	543,037	\$	15.80
Washington-/	1,032,582	\$	32.16
Leased	753,606	\$	33.52
Owned	278 976	è	24.02

Rent Gap Analysis



 Agency Name
 (All)

 Bureau Name
 (All)

 Owned/Leased
 Leased

 FRPC Property Type
 (Multiple Items)

 Submarket Rate per SF
 (Multiple Items)

Note: Submarket rates are approximations based on a building's location. Rates do not account for the condition of an asset, building class (A, B, or C), or unique circumstances.

Evoludes OA's < 10% above mar

Excludes OA'S < 10% above market							
					Approx.		
					Submarket		Potential Annual Rent
OA Number	Lease ID	Earliest Termination FY (Be	gi Building Name	GSA Rate	Rate	Rent Gap %	Savings
AFL05376	LFL47876	2021	8501 W SUNRISE BLDG.	\$38.63	\$21.34	44.76% \$	973,837
ACA08312	LCA01847	2019	MEDIA CITIES	\$84.80	\$27.04	68.11% \$	785,581
ATX05450	LTX16345	Available Now	HOUSTON SW	\$40.40	\$19.77	51.07% \$	574,473
AFL03329	LFL46004	Available Now	INDEPENDENCE PARKWAY BLDG	\$39.56	\$21.84	44.79% \$	556,496
AFL03526	LFL46092	Available Now	GATLIN AVE BLDG	\$32.60	\$18.30	43.87% \$	466,015
AIL06091	LIL17900	2023	SOCIAL SECURITY ADMINISTRATION	\$52.33	\$26.88	48.63% \$	440,238
ANJ00300	LNJ23267	2015	CLAREMONT-CLINTON HILL OFFICE	\$50.92	\$19.31	62.07% \$	399,497
ANJ00273	LNJ23231	2016	NEWARK CENTER BLDG	\$32.22	\$17.13	46.83% \$	383,340
ATX08229	LTX16689	2022	2475 CLIFF CREEK CROSSING DRIVE	\$42.30	\$20.16	52.34% \$	382,074
AIL06047	LIL18350	2023	CITADEL CENTER	\$38.94	\$27.70	28.87% \$	378,083
AIL01195	LIL16204	Available Now	SSA OFFICE, CHICAGO NNW	\$49.51	\$22.91	53.73% \$	366,217
AMI01580	LMI16853	2015	PT PLAZA MACK OFF	\$41.50	\$17.20	58.55% \$	351,432
ACA04860	LCA01728	2017	501 VINCENT	\$37.55	\$21.70	42.21% \$	332,104
ACA01610	LCA01051	Available Now	SOUTHLAND OFFICE CENTER	\$43.70	\$21.38	51.07% \$	315,850
ACA07558	LCA01730	2017	960 WEST MISSION BLVD.	\$52.50	\$22.59	56.97% \$	309,204
ACA08988	LCA02150	2016	POINT WEST CORPORATE CENTER	\$29.54	\$19.50	33.98% \$	270,617
ACA09069	LCA02108	2018	40 MASSIE CIRCLE	\$37.18	\$19.50	47.55% \$	267,502
ACA06082	LCA01700	2017	1165 E. ALOSTA AVENUE	\$47.93	\$21.70	54.73% \$	266,254
AFL04241	LFL40099	2017	SOCIAL SECURITY ADMINISTRATION	\$30.82	\$18.72	39.27% \$	
ACA01927	LCA01587	2018	CENTER POINTE BUSINESS PARK	\$44.25	\$23.80	46.21% \$	237,014
AFL04477	LFL47879	Available Now	SSA MARGATE BUILDING	\$32.92	\$18.37	44.20% \$	230,499
AAZ00328	LAZ99013	Available Now	AIR LIBRE AND TATUM BOULEVARD	\$27.00	\$19.53	27.67% \$	221,127
AMI04315	LMI17254	2016	3971 RESEARCH PARK DRIVE	\$39.05	\$18.45	52.76% \$	220,216
ANJ00150	LNJ23119	Available Now	2200 ROUTE 10 WEST	\$39.52	\$18.37	53.52% \$	217,449
AAZ04126	LAZ01976	2019	88 WEST 38TH STREET	\$35.15	\$18.48	47.42% \$	216,689
APA04335	LPA09420	2016	2 PENN CENTER PLAZA	\$30.60	\$22.17	27.55% \$	215,400
AOR03817	LOR07116	2021	CURTIS BUILDING	\$39.49	\$21.77	44.87% \$	214,165
ANH01198	LNH04796	2016	BRADY SULLIVAN TOWER	\$29.47	\$15.28	48.14% \$	213,806
ACA09941	LCA02919	2029	20433-20439 NORDHOFF STREET	\$38.88	\$22.59	41.90% \$	211,841
AIL01007	LIL16008	Available Now	8658 S. SACRAMENTO	\$35.40	\$26.88	24.07% \$	209,297
ANY02668	LNY22833	Available Now	375 NORTH BROADWAY	\$34.98	\$21.72	37.91% \$	208,526
AFL05274	LFL47881	2016	SOCIAL SECURITY BLDG	\$30.35	\$21.84	28.04% \$	187,522
ACA09923	LCA02167	2021	SSA THOUSAND OAKS	\$42.74	\$18.41	56.93% \$	187,503
ANJ02763	LNJ23518	2021	506 JERSEY AVENUE	\$37.31	\$20.95	43.85% \$	186,365
ACA09252	LCA02528	2022	14500 ROSCOE BOULEVARD	\$33.45	\$23.98	28.32% \$	184,742
AMI01592	LMI16777	Available Now	DETROIT CONNER STREET SSA	\$31.25	\$17.20	44.95% \$	183,558
AIL06023	LIL17938	2018	BANK OF AMERICA	\$35.27	\$27.70	21.46% \$	182,748
AFL05272	LFL62165	2017	DE SOTO BLDG	\$23.35	\$16.59	28.94% \$	182,092
ACA09711	LCA02725	2023	1122 W WASHINGTON BOULEVARD	\$29.29	\$17.59	39.95% \$	174,134
ANY02448	LNY22813	Available Now	1121 OLD WALT WHIT	\$33.05	\$18.88	42.87% \$	165,153
ANJ03520	LNJ24010	2019	7 GLENWOOD AVE	\$34.15	\$19.31	43.46% \$	
AFL04520	LFL47877	Available Now	WILTON MANOR	\$28.67	\$18.74	34.64% \$	160,857
AFL00722	LFL44156	2017	PERRINE BLDG	\$32.55	\$24.76	23.94% \$	
ATX02056	LTX14876	Available Now	9945 BISSONNET STREET	\$25.25	\$19.77	21.70% \$	· ·
ACT01899	LCT04469	2016	474-484 BURNSIDE AVENUE	\$39.15	\$17.96	54.12% \$	
ACA02355	LCA01203	Available Now	2160 S. EL CAMINO REAL	\$32.24	\$22.17	31.24% \$	· ·
AMO00984	LMO50043	2016	2301 MCGEE	\$21.43	\$14.43	32.67% \$	
ANH01188	LNH04590	2018	ONE WALL STREET	\$29.14	\$15.28	47.56% \$	· ·
APA04414	LPA08379	2015	LIMERICK CROSSING SHOPPING CEN	\$39.24	\$19.67	49.87% \$,
AIL05702	LIL17843	Available Now	BANK OF AMERICA	\$33.05	\$27.70	16.18% \$	
ANJ00148	LNJ23158	Available Now	E BRUNSWICK CORP CNT	\$29.50	\$20.95	28.98% \$	
ACA02391	LCA01365	Available Now	4957 PARAMOUNT BLVD	\$31.40	\$21.06	32.92% \$	
AAZ01864	LAZ02073	2019	RIO NUEVO PLAZA	\$28.59	\$18.48	35.35% \$	
APA04455	LPA09480	2017	BREYER OFFICE PARK	\$27.10	\$22.17	18.20% \$	· ·
ANJ03170	LNJ11322	2019	DOUBLETREE SHOPPING CENTER	\$29.81	\$17.97	39.71% \$	
ACA08291	LCA01550	2016	SSA BUILDING	\$24.85	\$20.20	18.71% \$	· ·
AIL04557	LIL17120	2015	4849 N. MILWAUKEE AV	\$31.88	\$22.91	28.14% \$	109,218



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